

**PLACER COUNTY DEFERRED COMPENSATION
COMMITTEE MEETING MINUTES
Wednesday, September 10, 2014
1:30 pm – 3:00 pm
Auditor-Controller Conference Room
2970 Richardson Drive
Auburn, CA 95603**

Present: Andy Sisk, Auditor-Controller; Andy Heath, Deputy County Executive Officer; Lori Walsh, Interim Personnel Director; Jenine Windeshausen, Treasurer Tax Collector; Matt Bartholomew, PPEO Representative; Noah Frederito, DSA Representative

Absent: Paul Jacobson, Retiree Representative

Other Attendees: Maryellen Peters, Risk Management; Jerry Carden, County Counsel; Eric Waidmann, Asst. Treasurer Tax-Collector; Ann McNellis, Senior Personnel Analyst; Allan Henriques, President of Smart Investor

Call to Order

Meeting called to order at 1:31 pm.

Public Comment

None.

Approval of Deferred Compensation Committee minutes for the June 11, 2014 meeting

Motion by: Matt Bartholomew; Second: Andy Sisk. Approved 4-0, 3 abstained

Hardship Requests

Discussion of request reviewed by the Hardship subcommittee since last meeting

There were two hardship requests received in the 2nd quarter; one was approved and one was denied.

Discussion of existing process

Andy Sisk expressed a desire to streamline the existing process to let employees know at the onset if they qualify for a hardship loan. Andy Heath suggested including information at hire with regards to hardship loans. Jenine Windeshausen suggested a form for employees to explain their request. The form should include verbiage to notify employees that hardship request decisions are based on IRS regulation. Jenine also asked how information collected is secured, disseminated and destroyed. Denied paperwork is logged into a Record of Denial before being shredded, approved paperwork is kept in the Hardship file in a secure location at Personnel and Ann McNellis also keeps the Record of Denial log. Hardship cases are notified by letter of either approval or denial.

Defaulted 401k Loans with Mass Mutual Status Report

Andy reported that the voluntary correction package has been submitted to the IRS and that he hopes to hear back from the IRS in time for Mass Mutual to issue 1099's in 2014.

Website Update

Andy noted that the website pages are being updated under BOS and Personnel. He expressed a desire to see the pages combined and then placed on both the public facing website and iPlacer

Fiduciary Role and Responsibility

Fiduciary Liability Insurance

Andy Sisk distributed an article by Rennetta Poncy of Alliant on "*Understanding Assumptions Regarding Fiduciary Liability Insurance*" and asked all Committee members to read it. Maryellen Peters discussed the new fiduciary liability coverage insurance policy taken out to protect the County, the Committee and our employees.

Discussion of our roles and responsibility as Committee members

Andy Sisk asked the Committee their thoughts on the level of coverage currently provided? Do we need fewer or more providers? Should we look into a plan administrator to manage Mass Mutual?

Jerry Carden suggested hiring an outside consultant to study the need for fewer or more plans.

Jenine Windeshausen suggested we do more work on our own before looking to eliminate a plan as she thinks it is beneficial to employees to have both 401k and 457 plans.

Jenine also suggested looking into ways to increase employee participation possibly through Financial Education training to teach employees about financial security, identifying assets and how to prepare for retirement.

Jenine further recommended the need to review providers periodically thru the RFP process and update the County Deferred Compensation Policy as needed due to market changes.

Lastly, Jenine suggested the need to monitor fees and hold providers to fee limits. Mass Mutual is already charging above the fee limits on some items and she would like to question them as to what they are charging for. She would also like to see annual plan updates to show changes to fee structures or services.

Andy Sisk will invite Mass Mutual to the next Committee meeting to see if we can get some of our questions and concerns addressed.

Andy will also work with County Counsel to find a consultant to review and advise on our existing plans.

Jenine suggested all Committee members familiarize themselves with the Bylaws. Jerry would like a clearer definition of our roles and responsibilities as plan administrators' versus committee members.

Noah Frederito requested a copy of the investment policy. Jenine thinks the investment policy needs updated as well.

By laws and survey updates

This item was not discussed by the Committee.

Next Scheduled Meeting

Wednesday, December 10, 2014 @ 1:30 PM in the Auditor-Controller Conference Room

Adjourn

Meeting adjourned at 2:23 PM.